

ITFL/SEC/2022-2023/AUG/03

18<sup>th</sup> August 2022

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai- 400 051

**Scrip Code - 533329**

**NSE Symbol: INTERRAIN**

Dear Sir/Madam,

**Sub.: Annual Report for FY 2021-2022 & Notice convening 13<sup>th</sup> Annual General Meeting**

**Ref.: Reg.30 and 34 of SEBI (LODR) Regulations, 2015**

This is to inform that the 13<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, 9<sup>th</sup> September 2022 at 11.00 A.M. IST through video conferencing/ other audio-visual means.

The Annual Report for the financial year 2021-2022 along with Notice convening the 13<sup>th</sup> AGM of the Company is enclosed. The Annual Report along with the Notice of AGM has been dispatched to all the eligible shareholders as on the cut-off date 12<sup>th</sup> August 2022 through e-mail mode only and will be available in the website of the Company [www.indianterrain.com](http://www.indianterrain.com)

This is for your information and records. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For **INDIAN TERRAIN FASHIONS LIMITED**



**E. Elamugilan**  
**Company Secretary & Compliance Officer**

**Encl.: As above**

## NOTICE CONVENING THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 13<sup>th</sup> Annual General Meeting of the shareholders of Indian Terrain Fashions Limited will be held on Friday, 09<sup>th</sup> September, 2022 at 11.00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2022 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Rama Rajagopal (DIN: 00003565), who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS:

3. TO APPROVE THE WAIVER OF RECOVERY OF EXCESS REMUNERATION PAID TO MR. VENKATESH RAJAGOPAL (DIN: 00003625), WHOLE TIME DIRECTOR OF THE COMPANY DURING THE FY 2021-2022.

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

**"RESOLVED THAT** further to the approval by the members for the payment of remuneration to Mr. Venkatesh Rajagopal (DIN: 00003625), Whole Time Director, at the Company's 09<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2018 and pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act 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) and the approval of the members of the Company be and is hereby accorded to ratify and confirm waiver of recovery of excess managerial remuneration of ₹25,34,472/- (Rupees Twenty Five Lakhs Thirty Four Thousand Four Hundred and Seventy Two Only) during the financial year 2021-22 as per the details annexed hereto in the explanatory statement, paid to Mr. Venkatesh Rajagopal (DIN: 00003625), Whole Time Director of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors or Nomination and Remuneration Committee be and is hereby authorized to finalize, sign and execute such document(s)/deed(s)/writing(s)/paper(s)/ agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the aforesaid payment of remuneration, to delegate all or any of the above powers to any Committee of the Board of Directors or any Director(s) of the Company and to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Mr. E. Elamugilan, Company Secretary be and are hereby severally authorized to do all such acts, deeds, things as may be necessary to give effect to the above resolution."

4. TO APPROVE INCREASE IN MANAGERIAL REMUNERATION PAYABLE TO MR. VENKATESH RAJAGOPAL (DIN: 00003625), CHAIRMAN & WHOLE TIME DIRECTOR OF THE COMPANY

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

**"RESOLVED THAT** Pursuant to provisions of Sections 197 and 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (the Act), and the Rules made thereunder, including 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), and as recommended by the Nomination and Remuneration Committee and the board of directors of the Company, the consent of the member be and is hereby accorded for the increase in the managerial remuneration payable to Mr. Venkatesh Rajagopal (DIN: 00003625), Chairman & Whole time Director of the Company, with effect from 01<sup>st</sup> April, 2022 on the terms and remuneration as set out in the Statement under Section 102 of the Act annexed hereto which shall be deemed to form part hereof, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations; and in the event of inadequacy or absence of profits under Section 197 and all other applicable provisions of the Act in any financial year or years during the term of appointment

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and is hereby authorized to vary and/ or revise the remuneration of the said Chairman & Whole time Director of the company within the overall limits approved herein and to settle any question or difficulties in connection therewith or incidental thereto."

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Mr. E. Elamugilan, Company Secretary be and are hereby severally authorized to do all such acts, deeds, things etc. as may be necessary to give effect to the above resolution."

5. TO APPROVE INCREASE IN MANAGERIAL REMUNERATION PAYABLE TO MR. CHARATH RAM NARSIMHAN (DIN: 06497859), MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY

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

**"RESOLVED THAT** Pursuant to provisions of Sections 197 and 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (the Act), and the Rules made thereunder, including 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), and as recommended by the Nomination and Remuneration Committee and the board of directors of the Company, the consent of the member be is hereby accorded for the increase in the managerial remuneration payable to Mr. Charath Ram Narsimhan (DIN: 06497859) Managing Director & Chief Executive Officer, with effect from 01<sup>st</sup> April, 2022 on the terms and remuneration as set out in the Statement under Section 102 of the Act annexed hereto which shall be deemed to form part hereof, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations; and in the event of inadequacy or absence of profits under Section 197 and all other applicable provisions of the Act in any financial year or years during the term of appointment.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and is hereby authorized to vary and/ or revise the remuneration of the said Managing Director & Chief Executive Officer of the company within the overall limits approved herein and to settle any question or difficulties in connection therewith or incidental thereto."

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Mr. E. Elamugilan, Company Secretary be and are hereby severally authorized to do all such acts, deeds, things etc. as may be necessary to give effect to the above resolution."

6. CHANGE IN DESIGNATION OF MRS. RAMA RAJAGOPAL FROM EXECUTIVE DIRECTOR TO NON- EXECUTIVE DIRECTOR OF THE COMPANY.

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

**RESOLVED THAT** THAT pursuant to Section 149, 152 and other application provisions of the Companies Act, 2013 (including any modification or re-enactment thereof), if any, as approved by the Board of Directors, the approval of the members be and is hereby accorded the appointment of Mrs. Rama Rajagopal (DIN: 00003565) as Non-Executive director of the Company with effect from 10<sup>th</sup> November, 2021 who shall be eligible for sitting fees for attending the meeting of the Board and Committees and shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Mr. E. Elamugilan, Company Secretary be and are hereby severally authorized to do all such acts, deeds, things etc. as may be necessary to give effect to the above resolution."

7. APPROVAL FOR REVISION IN AUDIT FEE OF STATUTORY AUDITORS FOR THE FINANCIAL YEAR 2022-23 AND ONWARDS.

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

**"RESOLVED THAT** pursuant to Section 142 and all other applicable provisions of the Companies Act 2013, approval be and is hereby accorded for revision in Statutory Audit Fee of M/s. SRSV & Associates, Chartered Accountants, Chennai (F.R. No.015041S) Statutory Auditors of the Company from ₹3,00,000/- to ₹4,00,000/- plus ₹1,00,000 (For Quarterly Review) and GST applicable as remuneration payable and reimbursement of related out of pocket expenses incurred, till the conclusion of 15<sup>th</sup> Annual General Meeting".

8. MATERIAL RELATED PARTY TRANSACTION(S) BETWEEN THE COMPANY AND CELEBRITY FASHIONS LIMITED

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

**"RESOLVED THAT** in accordance with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), consent be and is hereby accorded to the Company for entering into and / or continuing to enter into transactions with Celebrity Fashions Limited, (CFL), a related party under Regulation 2(i)(zb) of the Listing Regulations, for transactions etc, as set out in the Explanatory Statement annexed to the Notice convening this Meeting and on such terms and conditions as may be mutually agreed between the parties, such that the maximum value of the transactions with CFL, in the aggregate, does not exceed ₹40 crores (Rupees Forty Crores only) during the financial year 2022-23.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may



arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**By Order of the Board  
For INDIAN TERRAIN FASHIONS LIMITED**

sd/-

E. Elamugilan

Company Secretary

Membership No.: A33396

**Date: 12<sup>th</sup> August, 2022**

**Place: Chennai**

Registered Office :

208, Velachery Tambaram Road, Narayanapuram,

Pallikaranai Chennai - 600100

CIN : L18101TN2009PLC073017

Tel.: 044-42279100

Email : response.itfl@indianterrain.com

Website : www.indianterrain.com

#### NOTES:

- The Ministry of Corporate Affairs (MCA) has vide its General Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 read with General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No.19/2021 dated 08<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 3/2022 dated 05<sup>th</sup> May, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting (AGM) through VC/OAVM, without the physical presence of the Members at a common venue, due to the ongoing COVID-19 pandemic. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC/OAVM mode only. In accordance with the MCA Circulars, Special Businesses under item no.3 to 8 as set out in the Notice are considered unavoidable in nature by the Board of Directors of the Company.
- A member entitled to attend and vote is entitled to appoint a proxy and such a proxy need not be a member.** However, as per the permission granted by MCA and SEBI, the entitlement for appointment of proxy has been dispensed with for the AGM to be conducted in electronic mode till 31<sup>st</sup> December, 2022. Accordingly, the Attendance Slip and Proxy Form have not been annexed to this Notice of AGM.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act. In case of joint holders attending the AGM through VC/OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 setting out material facts, details and information in respect of Special Business under item no. 3 to 8 as set out in the Notice is annexed hereto.
- The Register of Members and the Share Transfer books of the Company will remain closed from 03<sup>rd</sup> September, 2022 to 09<sup>th</sup> September, 2022 (both days inclusive).
- Members are requested to notify change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical share members are requested to advise any change of communication address immediately to the Registrar and Transfer Agent, viz. Link in time India Private Ltd, C 101, 247 Park, L.B.S. Marg, Vikroli (West) Mumbai - 400 083.
- As per Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 01<sup>st</sup> April, 2019, and with effect from January 24, 2022 the request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and the transmission or transposition of securities held in physical or dematerialised form shall also be effected only in dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
- Members are requested to contact the Company's Registrar & Share Transfer Agents, Link in time India Private Ltd for reply to their queries/ redressal of complaints, if any, or contact Mr. E. Elamugilan, Company Secretary & Compliance Officer at the Corporate Office of the Company (Phone: (044) 4227 9241; Email: response.itfl@indianterrain.com).

- The queries on the accounts and operation of the Company, if any, may please be sent to the Company at SDF-IV & C2, 3rd Main Road, MEPZ/SEZ, Tambaram, Chennai-600045 or through email to response.itfl@indianterrain.com (marked to the attention of CS/CFO) at least 7 (seven) days prior to the date of AGM.
- The Securities and Exchange Board of India (SEBI) vide its circular dated 20<sup>th</sup> April, 2018 has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrars and Share Transfer Agents.
- In accordance with the provision of Section 108 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of 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 given in note no.17. The cut-off date for determining the eligibility to vote by electronic means shall be Friday, 02<sup>nd</sup> September, 2022.
- The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide facility of voting through electronic means to all the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the AGM. The facility of voting through electronic voting system will be available during the AGM also. Members who have casted their vote by remote e-voting may attend the AGM, but shall not be able to vote electronically at the AGM. Such members will also not be allowed to change or cast vote again. The Company shall be providing the facility of voting through e-voting and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right during the AGM.
- In keeping with the Green Initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars, etc. from the Company electronically.
- SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08<sup>th</sup> June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30<sup>th</sup> November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01<sup>st</sup> April, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, the members are requested to take action to dematerialise the Equity Shares of the Company, promptly.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection.
- The details under SEBI Listing Regulations in respect of the Directors seeking appointment / re-appointment at the AGM, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
- Important Shareholders Communication:**

The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No.17/2011, dated 21<sup>st</sup> April, 2011 and Circular No.18/2011, dated 29<sup>th</sup> April, 2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report etc.) to the shareholders through electronic mode, to their registered email addresses. In case you are desirous of having the digital version of the Annual Report, you may write to us at response.itfl@indianterrain.com or at the registered Office of the Company. The Annual report of the Company can be accessed at Annual Report category of Investor information in the website of Company www.indianterrain.com.

Electronic copy of the Notice of the 13th AGM and Annual Report for the financial year 2021-22 of the Company inter-alia indicating the process and manner of voting through electronic means is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participants(s) for communication purposes.

For members who have not registered their email address, physical copies of the Notice of the AGM and Annual Report for the financial year 2021-22 will not be sent due to the ongoing COVID-19 pandemic and as per the SEBI and MCA guidelines.

- Instructions for attending the AGM through VC/OAVM and Electronic Voting:**
  - As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 read with General Circular No. 20/2020 dated 05<sup>th</sup> May,

2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No.19/2021 dated 08<sup>th</sup> December 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 3/2022 dated 05<sup>th</sup> May, 2022. The AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate the AGM through VC/OAVM.

- b) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 08<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 05<sup>th</sup> May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- c) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
- d) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- e) Pursuant to MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC/OAVM portal / e-voting portal.
- f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.indianterrain.com](http://www.indianterrain.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- g) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 and MCA Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 and MCA Circular No. 20/2020 dated 05<sup>th</sup> May, 2020.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING DURING AGM/ EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- 1) The voting period begins on 04<sup>th</sup> September, 2022 at 9.00 a.m. (IST) and ends on 08<sup>th</sup> September, 2022 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 (record date) of 02<sup>nd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3) (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public 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, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09<sup>th</sup> December, 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 and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/ Ideas DirectReg.jsp">https://eservices.nsdl.com/SecureWeb/ Ideas DirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.





Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Facility for Non – Individual Shareholders and Custodians –Remote Voting
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- Alternatively Non Individual shareholders are required 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; [response@indianterrain.com](mailto:response@indianterrain.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 06 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 07 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those shareholders, who are present in the AGM/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 available during the EGM/AGM.
- If any Votes are cast by the same shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

- 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 email id [response.itfl@indianterrain.com](mailto:response.itfl@indianterrain.com) or RTA email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
- For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
- For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.



All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 on 022-23058542/43.

19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 02<sup>nd</sup> September, 2022
20. The Board of Directors has appointed BP & Associates, Practicing Company Secretary, New No. 443 & 445, 5th Floor, Annexe 1, Guna Complex, Anna Salai, Teynampet, Chennai - 600018, as the Scrutiniser for conducting the voting process (e-Voting and Poll) in a fair and transparent manner.
21. The Scrutiniser shall within a period not exceeding 03 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 02 (two) witnesses not in the employment of the Company and make a Scrutiniser's Report for the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
22. The results shall be declared by the Chairman or by any person authorised by him in this regard on or before 11<sup>th</sup> September, 2022. The result along with the Scrutiniser's report shall be placed on the Company's website www.indianterrain.com and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited & National Stock Exchange of India Limited. The resolution, if approved will be taken as passed effectively on the date of declaration of the result, explained as above.

By Order of the Board  
For INDIAN TERRAIN FASHIONS LIMITED

Date: 12<sup>th</sup> August, 2022  
Place: Chennai

sd/-  
E.Elamugilan  
Company Secretary  
Membership No.: A47890

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

Annexed to the Notice of 13th Annual General Meeting scheduled to be held on Friday, 09<sup>th</sup> September, 2022

### Item No.2 & 6

Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI), the details of Director seeking appointment / re-appointment at the Annual General Meeting are given below:

S.NO	CATEGORY	PARTICULARS
1.	Name of the Whole Time Director	Mrs. Rama Rajagopal (DIN: 00003565)
2.	Age	65 years
3.	Nationality	Indian
4.	Qualification	P.G. in Economics from University of Bangalore
5.	Expertise in specific functional areas	General Management and Administration
6.	Date of first appointment to the Board	29 <sup>th</sup> September, 2009
7.	Term of previous appointment	Non-Executive Director (Wholetime Director till 10 <sup>th</sup> November, 2021)
8.	Remuneration last drawn for the FY 2021-22	₹42.39 Lakhs (Includes value of perquisites of ₹0.39 Lakhs) (Wholetime Director till 10 <sup>th</sup> November, 2021)
9.	Revised Remuneration sought to be paid	Not Applicable
10.	No. of Shares held	67,66,930 equity shares (16.47%) as on 30 <sup>th</sup> June, 2022
11.	2022	<b>Relationship with directors</b> <ul style="list-style-type: none"> <li>• Spouse of Mr. Venkatesh Rajagopal</li> <li>• Mother of Mr. Vidyuth Venkatesh Rajagopal</li> </ul> <b>Relationship with Manager</b> <ul style="list-style-type: none"> <li>• NA</li> </ul> <b>Relationship with Key Managerial Personnel</b> <ul style="list-style-type: none"> <li>• NIL</li> </ul>
12.	No of Board Meetings attended / held during the year FY 2021-22	5/5
13.	Name(s) of other entities in which holding of directorship	Celebrity Fashions Limited
14.	Chairpersonship/Membership in committees of other Entities	<b>Celebrity Fashions Limited</b> <ul style="list-style-type: none"> <li>• Chairman - Corporate Social Responsibility Committee</li> </ul>

Except Mrs. Rama Rajagopal and his relatives to the extent of their shareholding interest, if any, in the Company for Item No. 2 & 6, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no.2 & 6 respectively.

### Item No.3

The Members at Annual General Meetings held from time to time had by way of Ordinary Resolutions approved the appointment and remuneration of the following Executive Directors, on the terms and conditions as mentioned therein:

S. No	Name	Term	Date of AGM in which Date of expiration of term ordinary Resolution was passed	Date of expiration of term
1	Mr. Venkatesh Rajagopal	5 Years	25 <sup>th</sup> September, 2018	07 <sup>th</sup> August, 2023

At the time of their appointment/re-appointment, the Company had adequate profits and the remuneration paid / payable to above said directors was well within the limits prescribed under the Companies Act, 2013.

However, during the last couple of years, the Indian textile Industry has been going through a set of unprecedented circumstances and as a result of this industry up heaval, the standalone revenue of the Company dropped to an unforeseen level of ₹213.17 Crores and The Net Loss of the Company for the financial year 31<sup>st</sup> March, 2021 stood at (30.37) Crores as compared to Net Loss of ₹(10.22) Crores earned during the year 31<sup>st</sup> March, 2020.



Owing to the above factors, the financial performance of the Company in the financial year ended 31<sup>st</sup> March, 2022 did not meet expectations.

The table below shows the total remuneration paid including excess amount paid to managerial personnel for the financial year ended 31<sup>st</sup> March, 2022 under Section 197 of the Companies Act, 2013:

Name	Financial Year	Salary & Perquisites paid	Excess Due to Profit	Payment Inadequate
Mr. Venkatesh Rajagopal	2021-22	₹72,00,000/-	₹25,34,472 /-	

As a result of the above, the remuneration paid to Mr. Venkatesh Rajagopal for the financial year 2021-22 exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto. Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

The Nomination and Remuneration Committee and the Board of Directors have at their respective meetings held on 12<sup>th</sup> August, 2022, subject to the approval of the members of the Company, accorded their approvals for waiver of recovery of excess managerial remuneration paid by the Company to above said director during the financial year 2021-22, in the interest of the Company.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor.

Except Mr. Venkatesh Rajagopal and his relatives to the extent of their shareholding interest, if any, in the Company for Item No. 3, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no.3 respectively.

#### Item No.4

At the board meeting held on 08<sup>th</sup> August, 2018, Mr Venkatesh Rajagopal, was re-designated as Chairman & Executive Director of the Company with a remuneration of ₹6,00,000/- per month for a period of Five years with effective from 08<sup>th</sup> August, 2018 on such remuneration within the limit prescribed under applicable provisions of the Companies Act, 2013 and was subsequently approved by the shareholders at the Annual General Meeting held on 25<sup>th</sup> September, 2018.

Further, the Board of directors at their meeting held on 18<sup>th</sup> May, 2022 had approved the revision in remuneration payable to Mr. Venkatesh Rajagopal, Chairman and Wholetime Director of the Company as recommended by the Nomination and Remuneration Committee after considering various parameters which, inter alia, includes, the scale of operations of the Company and increased involvement of the Executive Director in the day to day operations for the overall growth of the Company especially in respect of exploring new domestic markets, deeper penetration of existing markets, enhancing brand value through various initiatives, financial growth of the Company etc. with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the Company and shareholders.

Taking into account the size of operations of the Company, position, responsibilities and expertise of Mr. Venkatesh Rajagopal, Chairman and Executive Director, the board has approved the revision in remuneration from ₹6,00,000/- per month to ₹8,00,000/- per month on a fixed basis and he shall be entitled to a variable commission as decided by Board from time to time subject to maximum limit permissible under Companies Act 2022 with effect from 01<sup>st</sup> April, 2022 to the remaining tenure of his appointment i.e., upto 07<sup>th</sup> August, 2023 subject to the approval of the Shareholders.

Except the revision in remuneration, all other existing terms and conditions of his appointment remain unaltered and which are reproduced hereunder.

S.NO	PARTICULARS	DESCRIPTION
1	Salary	₹8,00,000/- Per month
2	Commission on variable basis	2% of Net profits for every financial year on Commission basis all together subject to a maximum of 5% of Net profits as per the provisions of the Act.
3	Medical Benefits	Suitable Mediclaim Policy for hospitalization for himself and family. Reimbursement of all actual medical expenses for himself and family to the extent not reimbursed under Mediclaim Policy.
4	Telephone	Telephone, Tele fax and other communication facilities at his residence at Company's cost.
5	Automobile	He shall be entitled for a Car fully maintained by the Company with driver for Company's purpose.

6	Reimbursement of expenses	He shall be entitled to the reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
7	Sitting Fees	He will not be entitled to any sitting fees for attending the meetings of the Board or of any Committees thereof.

The Board of directors/Nomination and Remuneration Committee of the Company is authorized to alter or vary the terms of remuneration of Mr. Venkatesh Rajagopal, Chairman and Whole time Director of the Company as it may, at its discretion deem fit from time to time and In the event of inadequacy or absence of profits under Section 198 of the Companies Act, 2013 in any financial year or years, the Whole-time Director shall be entitled to such remuneration as he may be then drawing, as specified in above.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a general meeting by way of Special resolution. Accordingly, the resolutions set out at item no. 4 of the notice are recommended to be passed as Special resolution

Except Mr. Venkatesh Rajagopal and his relatives to the extent of their shareholding interest, if any, in the Company for Item No. 4, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no.4 respectively

The statement containing the information to be given to the members in terms of Schedule V of the Companies Act, 2013 is as under:

#### I. General Information

1	Nature of Industry	Manufacture of all type of Textile garments and clothing accessories
2	Date or expected date of commencement of commercial production	N.A. since the Company has already commenced its business activities
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The Company has incurred a net loss of ₹2.20 crs for the financial year ended 31 <sup>st</sup> March, 2022
5	Foreign Investments or collaborations, if any	Not Applicable

#### II. Information about the appointee

1	Background details	Mr. Venkatesh Rajagopal is serving as the Director of the Company effective 2009. He has had significant experience across all areas of the organization. He holds a Master's degree in Arts and served in Indian Police Service.
2	Past remuneration	₹72,00,000/-
3	Recognition or awards	Nil
4	Job profile and his suitability	Job requires strong knowledge and experience in garments industry. Mr. Venkatesh Rajagopal is eminently suitable given his background.
5	Proposed Remuneration	As per resolution given above
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The proposed remuneration is comparable and in line with the other companies of similar size and nature in the industry.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mrs. Rama Rajagopal is the spouse and Mr. Vidyuth Rajagopal, Joint Managing Director is the son.

#### III. Other Information

1	Reasons of loss or inadequate profits	Industry trend and increase in operating cost.
2	Steps taken or proposed to be taken for improvement	The company is undertaking various strategic initiatives including improvement to productivity and rationalisation of costs.
3	Expected increase in productivity and profits in measurable terms	The company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

**Item No.5**

Mr. Charath Ram Narsimhan (DIN: 06497859) being the Chief Executive officer of the Company was appointed as Managing Director & Chief Executive Officer at the board meeting held on 08<sup>th</sup> August, 2018 and subsequently approved by the shareholders at the Annual General Meeting held on 25<sup>th</sup> September, 2018 with a remuneration of ₹4,00,000/- per month for a period of Five years with effective from 08<sup>th</sup> August, 2018.

Further, the Board of directors at their meeting held on 18<sup>th</sup> May, 2022 had approved the revision in remuneration payable to Mr. Charath Ram Narsimhan, Managing Director & Chief Executive Officer of the Company as recommended by the Nomination and Remuneration Committee after considering various parameters which, inter alia, includes, the scale of operations of the Company and increased involvement of the Executive Director in the day to day operations for the overall growth of the Company especially in respect of exploring new domestic markets, deeper penetration of existing markets, enhancing brand value through various initiatives, financial growth of the Company etc. with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the Company and shareholders.

Taking into account the size of operations of the Company, position, responsibilities and expertise of Mr. Charath Ram Narsimhan, Managing Director and Chief Executive Officer, the board has approved the revision in remuneration from ₹4,00,000/- per month to ₹6,00,000/- per month on a fixed basis and he shall be entitled to a variable commission of 2% of Net profits for every financial year and the total remuneration including the variable commission shall not exceed the maximum of 5% of Net profits as computed under Section 198 of Companies Act, 2013 with effect from 01<sup>st</sup> April, 2022 to the remaining tenure of his appointment i.e., upto 07<sup>th</sup> August, 2023 subject to the approval of the Shareholders.

Except the revision in remuneration, all other existing terms and conditions of his appointment remain unaltered and which are reproduced hereunder.

S.NO	PARTICULARS	DESCRIPTION
1	Salary	₹6,00,000/- Per month
2	Commission on variable basis	2% of Net profits for every financial year on Commission basis all together subject to a maximum of 5% of Net profits as per the provisions of the Act.
3	Medical Benefits	Suitable Mediclaim Policy for hospitalization for himself and family. Reimbursement of all actual medical expenses for himself and family to the extent not reimbursed under Mediclaim Policy.
4	Telephone	Telephone, Tele fax and other communication facilities at his residence at Company's cost.
5	Automobile	He shall be entitled for a Car fully maintained by the Company with driver for Company's purpose.
6	Reimbursement of expenses	He shall be entitled to the reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
7	Sitting Fees	He will not be entitled to any sitting fees for attending the meetings of the Board or of any Committees thereof.

The Board of directors/Nomination and Remuneration Committee of the Company is authorized to alter or vary the terms of remuneration of Mr. Charath Ram Narsimhan, Managing Director & Chief Executive Officer of the Company as it may, at its discretion deem fit from time to time and in the event of inadequacy or absence of profits under Section 198 of the Companies Act, 2013 in any financial year or years, the Managing Director shall be entitled to such remuneration as he may be then drawing, as specified in above.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a general meeting by way of Special resolution. Accordingly, the resolutions set out at item no. 5 of the notice are recommended to be passed as Special resolution.

Except Mr. Charath Ram Narsimhan and their relatives, none of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item No. 5 of the accompanying notice.

**The statement containing the information to be given to the members in terms of Schedule V of the Companies Act, 2013 is as under:**

**I. General Information**

1	Nature of Industry	Manufacture of all type of Textile garments and clothing accessories
2	Date or expected date of commencement of commercial production	N.A. since the Company has already commenced its business activities
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The Company has incurred a net loss of ₹2.20 crs for the financial year ended 31 <sup>st</sup> March, 2022
5	Foreign Investments or collaborations, if any	Not Applicable

**II. Information about the appointee**

1	Background details	Mr. Charath Ram Narsimhan is serving as the Director of the Company effective 2009. He has had significant experience across all areas of the organization. He holds a bachelor's degree from IIT & Master's degree from IIM Lucknow.
2	Past remuneration (In lakhs)	₹48,00,000/-
3	Recognition or awards	Nil
4	Job profile and his suitability	Job requires strong knowledge and experience in garments industry. Mr. Charath Ram Narsimhan is eminently suitable given his background.
5	Proposed Remuneration	As per resolution given above
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The proposed remuneration is comparable and in line with the other companies of similar size and nature in the industry.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	NIL

**III. Other Information**

1	Reasons of loss or inadequate profits	Industry trend and increase in operating cost.
2	Steps taken or proposed to be taken for improvement	The company is undertaking various strategic initiatives including improvement to productivity and rationalisation of costs.
3	Expected increase in productivity and profits in measurable terms	The company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

**Item No.7**

The remuneration paid to the Statutory Auditors for the financial year 2019-20 and 2020-21 was ₹0.03 Crores, excluding GST.

The Board of Directors of the Company ('the Board') on the recommendations of the Audit Committee ('the Committee') recommend revision in Statutory Audit Fee of M/s. SRSV & Associates, Chartered Accountants, Chennai (F.R. No.015041S) Statutory Auditors of the Company from ₹3,00,000/- to ₹4,00,000/- each year plus ₹1,00,000 (for Quarterly Review) and GST applicable as remuneration payable and reimbursement of related out-of-pocket expenses incurred (till the conclusion of the 15<sup>th</sup> AGM).

On the recommendation of the Audit committee, the Board hereby recommends ₹4.00 lakhs (Rupees Four lakhs only) each year plus ₹1,00,000/- (Rupees One Lakh only) (For Quarterly Review) and GST applicable as remuneration payable and reimbursement of related out-of-pocket expenses incurred.

The Board recommends passing of the resolution at item no. 7 of the notice as Ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are interested in this Resolution.

**Item No.8**

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with the Company's Policy on Related Party Transactions, effective 01<sup>st</sup> April 2022, provides that entering into material related party transactions which, either individually or taken together with previous transaction(s) during a financial year, exceed ₹1,000 crores or 10% of the annual consolidated turnover of the Company as per the last





audited financial statements, whichever is lower, requires approval of the Members of the Company.

The Company, in order to further its business interests, enters into various transactions with its related parties. Amongst these transactions, the estimated value of transactions with Celebrity Fashions Limited (CFL), a related party under Regulation 2(1)(zb) of the Listing Regulations, during the financial year 2022-23 is expected to exceed the materiality threshold as stated above.

Accordingly, the Board of Directors of the Company ('the Board') at the meeting held on 18<sup>th</sup> May 2022, on the recommendation of the Audit Committee, recommended for the approval of the Members, entering into material related party transactions with CFL during the financial year 2022-23, as set out in the Resolution.

These transactions will be entered in the ordinary course of business and on arm's length basis.

Other details of the transactions, pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November 2021, are given hereunder:

S.NO	PARTICULARS	DESCRIPTION
(i)	Name of the related party	Celebrity Fashions Limited
(ii)	Nature of relationship	Enterprises under control or Significant influence of Key Managerial Personnel/ Relatives of Key Managerial Personnel
(iii)	Nature and material terms of the transaction	Job work charges, Material Transfers, Washing charges, FOB Sales and Rentals etc.  Pricing will be benchmarked to similar transactions with unrelated parties with adjustments for commercial terms, as necessary.
(iv)	Tenure of the transaction	Financial year 2022-23
(v)	Nature of concern or interest	Financial
(vi)	Value of the transaction	Up to ₹40 crores
(vii)	Percentage of the Company's annual turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	11.89%
(viii)	Justification as to why the related party transaction is in the interest of the Company	The Audit Committee and the Board of the Company are of the opinion that the arrangements are commercially beneficial to the Company and hence the transactions are in the best interest of the Company.
(ix)	Details of valuation or other external party report, if such report has been relied upon	Not Applicable
(x)	Any other information that may be relevant	Nil

By Order of the Board  
For INDIAN TERRAIN FASHIONS LIMITED

Date: 12<sup>th</sup> August, 2022  
Place: Chennai

sd/-  
E. Elamugilan  
Company Secretary  
Membership No.: A33396

Registered Office :  
208, Velachery Tambaram Road, Narayanapuram,  
Pallikaranai Chennai - 600100  
CIN : L18101TN2009PLC073017  
Tel.: 044-42279100  
Email : response.itfl@indianterrain.com  
Website : www.indianterrain.com